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NIE 62-64 ADVCON
23 December 1964

NATIONAL INTELLIGENCE ESTIMATE

ALGERIA

- Socialist Algeria
- The Military Establishment
- The Economic Situation
- Domestic Outlook

NOTE: This is an advance copy of the conclusions of this estimate as approved by the United States Intelligence Board. The complete text will be circulated within five days of this issuance.

Central Intelligence Agency

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Submitted by the
DIRECTOR OF CENTRAL INTELLIGENCE

The following intelligence organizations participated in the preparation of this estimate: The Central Intelligence Agency and the intelligence organizations of the Departments of State, Defense, and NSA.

Concurred in by the
UNITED STATES INTELLIGENCE BOARD

on 23 December 1964. Concurring were the Director of Intelligence and Research, Department of State; the Director, Defense Intelligence Agency; and the Director of the National Security Agency. The Atomic Energy Commission Representative to the USIB and the Assistant Director, Federal Bureau of Investigation, abstained, the subject being outside of their jurisdiction.

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CENTRAL INTELLIGENCE AGENCY

23 December 1964

SUBJECT: NIE 62-64: ALGERIA

THE PROBLEM

To assess the situation in Algeria, and to estimate its prospects over the next two years or so.

CONCLUSIONS

A. We think that Ben Bella's chances of remaining in power for the next two years or so are good. He will probably continue to keep a narrow but fairly solid power base, especially in the military establishment, where Vice President and Minister of Defense Boumedienne appears loyal. We do not believe that Boumedienne would use the army to oust Ben Bella, except under extraordinary conditions.

B. The economy will probably continue to decline for a time, and will probably stabilize at a lower level than at present. We do not believe that the economic situation will deteriorate so far as to generate extreme

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political discontent. The majority of the people will follow the traditional subsistence agricultural pattern. While the new society of politically important elements, including the army, bureaucracy, and workers on nationalized farms, is likely to continue to fare better than under the French.

C. The 60,000 man Algerian military establishment has been largely re-equipped with Soviet weapons in the past year or so. It can maintain internal security and is improving vis-a-vis its most likely external rival, Morocco. In about a year it will probably be superior to the Moroccans. However, while Algerian-Moroccan relations are likely to remain uneasy, a recurrence of major hostilities is unlikely.

D. Algeria will probably move away, albeit slowly and haphazardly, from its close linkage with France, and the latter's aid will almost certainly decline after 1965, when the nuclear test sites will no longer be needed. French interests, especially oil, as well as Algeria's need for financial aid, will militate against a complete break. The coming years are likely to be marked by continued frictions, however, as Algeria strives to reduce its dependence without losing the benefits of the association, but a major breach will probably be avoided at least as long as de Gaulle lives.

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E. Algeria's revolutionary convictions lead it to support virtually any movement bearing the anti-colonialist label. In Africa particularly, Ben Bella will provide moral support, as well as arms and training, to revolutionary movements, often in concert with Soviet and Chinese actions. This already conflicts with US policies in sub-Saharan Africa and would be especially serious if a rebel movement were to develop the staying power to wage a drawn-out guerrilla conflict. In any event, US-Algerian relations are likely to be marked by growing frictions.

F. Both Soviets and Chinese appear to regard the Ben Bella regime as promoting their respective interests by its predilection for supporting revolutionary movements. While this condition obtains and at least as long as French assistance and presence remain strong, the USSR and China will be content to play a background role, although continuing to provide economic aid. A major breach between France and Algeria could open the way for greatly increased Soviet influence. However, the Soviets would be faced with problems, as well as opportunities, especially since providing budget support would break a precedent and also be very costly.

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